

1 IN THE SENATE

BY THE FREE CONFERENCE COMMITTEE

2 FREE CONFERENCE CS FOR HOUSE CS FOR SENATE BILL NO. 538

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to school lands; and providing for  
7 an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 38.05.030 is amended by adding a new subsection to read:

10 (e) The sale, lease or other disposal of school lands under the  
11 jurisdiction of the department shall be made by the commissioner in  
12 accordance with the provisions of this chapter. However, disposal of  
13 school lands under this subsection, other than disposal by lease for a  
14 term of years, shall be made only for sites for school facilities or  
15 for public park and public recreational purposes. School lands may be  
16 exchanged for (1) state lands, (2) vacant, unappropriated and unre-  
17 served public lands and (3) lands owned by a city, borough or other  
18 public entity. In the case of unequal values, cash may be used to  
19 equalize land values. When the department determines that it is in  
20 the best interest of the state to dispose of the school lands located  
21 within Section 16 and 36 in an organized borough or city of any class,  
22 the borough or city is authorized, and has preference for six months  
23 after notice, to acquire the land at the appraised value by purchase  
24 or exchange of land acceptable to the department. No sale, lease,  
25 exchange or other disposal of school lands may be made without the  
26 approval of the State Board of Education.

27 \* Sec. 2. AS 38.05.070(c) is amended to read:

28 (c) A lease may be issued for a period up to 55 years, if it ap-  
29 pears to be in the best interests of the state and if the commissioner

1 approves. If the commissioner determines that the land or a part of it  
2 which is the subject of a grazing lease is not being used for the  
3 purpose issued, the lease may be declared void. However, a nonrenew-  
4 able lease for school lands may be issued for a period not to exceed 99  
5 years.

6 \* Sec. 3. The provisions of AS 38.05.030(e) relating to the preference  
7 rights of a city or organized borough do not apply to land which, on the  
8 effective date of this Act, is being advertised for sale, lease or other  
9 disposal.

10 \* Sec. 4. The provisions relating to the leasing of school lands in  
11 AS 38.05.070(c) apply to school lands which, on the effective date of this  
12 Act, are being advertised for sale, lease or other disposal. Successful  
13 bidders on these lands can elect to have a 99 year nonrenewable lease, if  
14 the commissioner approves.

15 \* Sec. 5. This Act takes effect on the day after its passage and approval  
16 or on the day it becomes law without approval.